

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

April 2, 2013

Proclaim April 1-6, 2013 National Community Development Week

The Community Development Block Grant (CDBG) Program, enacted in 1974, has long been considered the most successful federally supported local program ever approved by Congress. The CDBG Program gives state, city, and county governments the flexibility to target CDBG funds to locally determined priority needs, primarily to benefit low- and moderate-income residents, and to help eliminate slums and blight. The County of Los Angeles (County), through the Community Development Commission, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 49 participating cities.

This year, 2013, marks the 39th anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently provided assistance to low- and moderate-income residents of the County through a variety of economic development, public service, recreation, and housing rehabilitation programs. CDBG funds provide services to youth and seniors, the homeless, persons with HIV/AIDS, and persons with special needs. Strong partnerships among County departments, participating cities, and community-based organizations have helped ensure the quality and effectiveness of the CDBG Program within the County.

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MOLINA _____

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RIDLEY-THOMAS _____

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For example, during the past fiscal year, the CDBG Program provided services to 100,848 persons who were homeless and/or living with HIV/AIDS; created or improved 2,349 housing units; served 724,692 persons and 2,647 housing units through housing rehabilitation, rental assistance, and code enforcement programs; provided economic development technical assistance to 364 businesses; constructed or improved seven public facilities; provided public services to 167,912 persons through over 65 public/non-profit agencies; provided supportive services to 4,685 seniors; and provided services and activities to 3,163 youth.

The Los Angeles Urban County CDBG Program substantially exceeded the Federal requirement to expend 70% of its funds for the benefit of low- and moderate-income persons. In the past fiscal year, the CDBG Program expended \$24.8 million, or 91% of its total CDBG expenditures, for the benefit of low- and moderate-income persons.

However, the CDBG Program is facing unprecedented threats to its existence as a result of pressures to reduce the federal deficit. Proposals have ranged from modest reductions to the program up to outright elimination, while ignoring the potential distress on low- and moderate-income residents who are already disproportionately affected by the recession, and the negative economic impact that could result from the loss of CDBG dollars to local communities. Between fiscal years 2010 and 2012, the County expended \$103.6 million in CDBG funds, but it was also able to leverage an additional \$114.5 million from other public and private sources during the same period. It is vital that the CDBG Program continue to provide funding for economic development, public services, housing, neighborhood development, and supportive services.

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Prior to the 1990 enactment of the HOME Investment Partnerships (HOME) Program, there were few options available to communities to develop affordable housing. Families lived in overcrowded situations and in unsafe housing, and working families struggled to save enough money for a down payment. Communities lacked the resources needed to design large-scale affordable housing programs to address these problems. The HOME program was developed to provide resources to communities to provide decent, safe, and affordable housing opportunities for low-income persons. Program funding has been used nationally to complete over one million units of affordable housing.

Los Angeles County has used its HOME program funds with great success to finance innovative programs and projects for low-income families, including the construction of affordable housing, the rehabilitation of existing housing, and down payment assistance for eligible first-time homebuyers. Since the program's inception in 1992, the County has overseen the administration of approximately \$253 million dollars in HOME funds into the County's housing market. The program's added benefit is its ability to leverage local funding. The total leveraged funding is more than doubled the actual funds received, for a total of \$813 million available for local housing.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Proclaim April 1 through 6, 2013 as National Community Development Week in the County of Los Angeles in order to recognize the history and accomplishments of the CDBG and HOME Programs.

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